

DD/A 75-0921

SECRET

24 FEB 1975

MEMORANDUM FOR: Deputy Director for Administration

FROM : Director of Logistics

SUBJECT : Rental Rates for Residences [REDACTED] 25X1A

REFERENCE : Office of Management and Budget Circular No. A-45
Revised 30 October 1974

1. Action Requested: This memorandum requests that you approve an increase in the rental rates for Government-furnished quarters at the [REDACTED]

25X1A

2. Basic Data or Background: Office of Management and Budget (OMB) Circular No. A-45, dated 31 October 1964, which prescribes policies governing the establishment of charges for rental quarters, has been revised.

a. Frequency of Adjustment. Charges for rental quarters shall be adjusted periodically in accordance with the following:

(1) Periodic (cycle year) adjustments based on survey of the private rental market. Basic rental rates established for rental quarters shall be affirmed or adjusted by survey of the private rental market, as follows:

(a) Every fifth year, or when the basic rental rate for the quarters has been increased by 30 percent through application of the rent series of the U.S. city average Consumer Price Index (CPI) or national average CPI, whichever occurs first, provided that valid and realistic comparability has been established with private rental rates, or

(b) Every third year if for any reason valid and realistic comparability with private rental rates has not been established, or

2 IMPDET CL BY 022557

SECRET

045 0713

SUBJECT: Rental Rates for Residences [REDACTED]

25X1A

(c) Any year when changes in the private rental market in the nearby established community indicate a need to adjust basic rental rates on the basis of a survey of the rental market.

(2) Annual (interim year) adjustments based on changes in the CPI. Annual adjustments in the basic rental rate, to be effective on 1 February of each year or at the beginning of the first pay period which starts on or after 1 February each year, shall be made applying the percent change in the CPI from the month in which the previous adjustment was based.

b. Notice of the revision to OMB Circular A-45 did not reach this office in time to adjust the rental rates on 1 February 1975, as noted in subparagraph 2a(2) above. The new rate will be effective on 1 March 1975. The last survey of rental changes [REDACTED] was in September 1972. Since that date, the average Consumer Price Index Rental Series shows that the CPI has increased 9.6 percent.

25X1A

3. Staff Position: The Office of Logistics feels that the Agency should comply with OMB Circular No. A-45 and, specifically, that this circular applies to the rental rates of residences [REDACTED]. It should be noted that, in implementing OMB Circular A-45 as noted in subparagraph 2a(1) above, a survey of the private rental market will be made in the near future.

25X1A

4. Recommendation: It is, therefore, recommended that the rental charge for all quarters [REDACTED] be increased 9.6 percent, effective 1 April 1975.

25X1A

[REDACTED] 25X1A

Michael J. Malanick
Director of Logistics

25X1A

Att: New Rental Rates

APPROVED: [REDACTED]

DISAPPROVED: _____

25X1A

Distribution:

- Orig. - [REDACTED] (via DDA)
- 2 - DDA *July*
- 1 - OL Official (RECD)

SUBJECT: Rental Rates (1975), [REDACTED]

25X1A

RENTAL RATES

25X1A

| Property Number | 1969-72 Rent | 1975 Rent | **Adjustment | *Utilities | Occupant Pays |
|-----------------|--------------|-----------|--------------|------------|---------------|
| [REDACTED] | \$ 57.00 | \$ 62.47 | \$ 25.00 | \$ 33.00 | \$ 95.47 |
| [REDACTED] | 148.33 | 162.56 | 35.00 | 53.00 | 215.56 |
| [REDACTED] | 112.92 | 123.76 | 25.00 | 35.00 | 158.76 |
| [REDACTED] | 92.42 | 101.29 | 25.00 | 36.00 | 137.29 |
| [REDACTED] | 29.00 | 31.78 | 25.00 | 22.00 | 53.78 |
| [REDACTED] | 151.58 | 166.13 | 35.00 | 40.00 | 206.13 |

*Includes water, sewerage, gas, and electricity. This figure has remained constant.

**Adjustments predicated upon isolation, inconvenience to educational, social, shopping, and religious activities; also, official demands upon space and privacy. This figure has remained constant. Actual appraised rent equals the rent plus the utilities and adjustments. Actual money paid equals rent plus utilities.

SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM
 UNCLASSIFIED CONFIDENTIAL SECRET

OFFICIAL ROUTING SLIP

| TO | NAME AND ADDRESS | DATE | INITIALS |
|----|------------------|------|----------|
| 1 | Mr. Blake | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |

| | | | | | |
|--------------------------|--------------------|--------------------------|---------------------|--------------------------|-----------------------|
| <input type="checkbox"/> | ACTION | <input type="checkbox"/> | DIRECT REPLY | <input type="checkbox"/> | PREPARE REPLY |
| <input type="checkbox"/> | APPROVAL | <input type="checkbox"/> | DISPATCH | <input type="checkbox"/> | RECOMMENDATION |
| <input type="checkbox"/> | COMMENT | <input type="checkbox"/> | FILE | <input type="checkbox"/> | RETURN |
| <input type="checkbox"/> | CONCURRENCE | <input type="checkbox"/> | INFORMATION | <input type="checkbox"/> | SIGNATURE |

Remarks:

Two separate memoranda attached. In general these are modest increases and I don't think the 9.2 percent will shock the ██████████ residents. I do feel, however, that implementation on 1 March 1975 will cause unnecessary bad feelings, and I would suggest the new rental charges be made effective 1 April 1975.

LJD

Atts: DD/A 75-0921/0922

25X1A

FOLD HERE TO RETURN TO SENDER

FROM: NAME, ADDRESS AND PHONE NO. DATE

UNCLASSIFIED CONFIDENTIAL SECRET

| SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM | | | |
|--|--------------------------------------|---------------------------------------|---|
| | UNCLASSIFIED | CONFIDENTIAL | SECRET |
| OFFICIAL ROUTING SLIP | | | |
| TO | NAME AND ADDRESS | DATE | INITIALS |
| 1 | DD/A 7 D 26 Headquarters Bldg. | | |
| 2 | Mr. [REDACTED] | 2/25/75 | D |
| 3 | W Blake | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| | <input type="checkbox"/> ACTION | <input type="checkbox"/> DIRECT REPLY | <input type="checkbox"/> PREPARE REPLY |
| | <input type="checkbox"/> APPROVAL | <input type="checkbox"/> DISPATCH | <input type="checkbox"/> RECOMMENDATION |
| | <input type="checkbox"/> COMMENT | <input type="checkbox"/> FILE | <input type="checkbox"/> RETURN |
| | <input type="checkbox"/> CONCURRENCE | <input type="checkbox"/> INFORMATION | <input type="checkbox"/> SIGNATURE |
| Remarks: | | | |
| <p>Re paragraph 3 of the attached memorandums, RECD will conduct the rental comparability study this spring. The last study was conducted in 1972.</p> | | | |
| FOLD HERE TO RETURN TO SENDER | | | |
| FROM: NAME, ADDRESS AND PHONE NO. | | | DATE |
| DD/A, 1206 Ames, x2551 | | | 2-24-75 |
| | UNCLASSIFIED | CONFIDENTIAL | SECRET |

25X1A